

DETAILED ACTION

1. This is in response to the applicant's communication filed on Jan. 04, 2010 wherein:

Claims 1, 3-10, are currently pending;

Claims 2, 11-30 have been cancelled;

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims **1, 3-10** are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. In accordance with *In re Bilski*, 88 USPQ2d 1385 (Fed.Cir. 2008) the **Machine -or-Transformation Test**, the claimed process must:

- (1) be tied to a particular machine or apparatus (machine implemented); or
- (2) particularly transform a particular article to a different state or thing.

A method claim that does not require machine implementation or does not cause a transformation will fail the test and should be rejected under § 101. However, the mere presence of a machine tie or transformation is not sufficient to pass the test. When a machine tie or transformation has been identified, it must be further determined that the tie is to a **particular** machine or the particular transformation is of a **particular** article. Additionally, the particular machine tie or particular transformation must meet two corollaries to pass the test for subject matter eligibility. First, the use of the

particular machine or transformation of the particular article must impose a **meaningful limit** on the claim's scope. So, a machine tie in only a field-of-use limitation would not be sufficient.

Second, the use of the particular machine or the transformation of the particular article must involve **more than insignificant "extra-solution" activity**. If the machine or transformation is only present in a field-of-use limitation or in a step that is only insignificant "extra-solution" activity, the claim fails the Machine-or-Transformation test, despite the presence of a machine or a transformation in the claim.

With respect to claims **1, 3-10** the claim language does not transform the underlying subject matter and the process is not tied to a particular machine such as the process steps of "*acquiring....; transferring....; delivering....*". Even though the last step in claim 1 recites "*playing said selection in said public medium*" the involvement of the machine or transformation in the claimed process must not merely be insignificant extra-solution activity. This means reciting a specific machine or a particular transformation of a specific article in an insignificant step. *See Flook*, 437 U.S. at 590. Therefore the claims are directed to nonstatutory subject matter.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
 2. Ascertaining the differences between the prior art and the claims at issue.
 3. Resolving the level of ordinary skill in the pertinent art.
 4. Considering objective evidence present in the application indicating obviousness or nonobviousness.
1. Claims 1, 3-10 are rejected under 35 U.S.C. 103(a) as being unpatentable over WILKS (US Patent Application Publication US 2002/0129693) in view of ISHII (US 2002/0154759).

As for independent claim 1, WILKS discloses a method of arranging for a provision of music from a provider of music to an operator of a public medium comprising the following steps:

c) delivering or providing said selection of music from said provider of music to said operator;

{see par 0008, music distribution (provider) provides the music or selection of songs to the business owner (operator)}

d) playing said selection in said public medium

{see pars. 0008; par. 0012}.

Note: As for the claim language "acquiring the right, and transferring the right" in steps a and b) is determined to be is non-functional descriptive material and was not given patentable weight (MPEP § 2106.01). "A right" is not functional because it does not alter how the process steps are to be performed to achieve the utility of the invention.

WILK discloses the claimed invention above, except for the operator gives the right to play the music to the provider (steps a and b).

ISHII is cited to teach a system wherein the music provider provides a selection of music for the operator to play in the operator's business environment for advertising purpose whereby the provider inherently acquires from the business operator a right to play of music as uploading the music to the operator server {see pars [0005, 0080-0085]}.

Therefore, it would have been obvious to modify the delivering/providing the music from the music provider to the business owner to play in the public medium of WILKS to include the right of the operator to the provider for uploading the music data to the business operator as taught by ISHII for the advertising purpose such as promoting the music.

As for claim 3, Wilks discloses the step of selecting the operator [operator such as restaurant, bars, client computer; par. 0007, lines 2-5; par. 0015, lines 1-2].

As for claim 4, Wilks discloses the step of selecting the provider of music [see par. 0012, lines 4-6];

As for claim 5, Wilks discloses the step of selecting the operator [...operator such as restaurant, bars and client computer; par. 0007, lines 2-5; par. 0015, lines 1-2].

As for claim 6, Wilks discloses the step of selecting from the provider of music an appropriate selection of music to play in said public medium [...see par. 0012, lines 3-5 and figure 3].

As for claim 7, Wilks discloses the step of arranging for the payment of copyright license fees to the owners of a copyright subsisting in said music [see par. 0031, lines 12-13, lines 22-24].

As for claim 8, Wilks discloses wherein the public medium is selected from a group consisting of retail stores, bars, sports stadiums, sports arenas, hand-held devices including personal communication devices, mobile phones and personal digital assistants, phone line holding ports and on-line websites [operator such as restaurant, bars, client computer; par. 0007, lines 2-5; par. 0015, lines 1-2].

As for claim 9, Wilks discloses wherein the provider of music is selected from a group consisting of a record company, a record producer, a music publisher, record distributor, a recording studio, an individual artist, an individual, a music provider and an agent for musical artists [...music distribution company; remote multimedia server/music provider; see par. 0008, lines 6; par. 0026, lines 1-6].

As for claim 10, Wilks discloses wherein the right to play a selection of music in said public medium is at a pre-determined time and for a pre-determined length of time [see par. 0031, lines 2-5].

Response to Arguments

Applicant's arguments filed 01/04/10 have been fully considered but they are not persuasive.

1) As for an argument on page with respect to the 101 rejection, Applicant comments on the step of independent claim 1 that *"playing said selection is said public medium" is not merely an insignificant extra solution activity since "the invention is premised on the playing of music in a public medium in order for the provider of the music to achieve public exposure of its music. The playing of music in a public medium is critical in the achievement of the commercial and public benefit of the invention"* is noted. However, this is not persuasive. According to the preamble of the claim, the claim invention is about **"a method of arranging for a provision of music from a provider of music to an operator of a public medium"**. Also the summary of the invention **is about a business method for conducting a transaction** between an operator of a public medium and a provider of music. The method involves **the sale of the right to play music** in the operator's public by accessible medium to a provider of music. Therefore, the claim invention is focused on **a right** to play a selection of music, **not** "playing the selection of music". Even though it is necessary for playing the selection of the music in a public medium for the advertising purpose, however this is

not a core or central of the claim invention. Thus, the step of "playing said selection is said public medium" as recited in claim 1 is an insignificant extra solution activity.

Therefore, the claims are directed to nonstatutory subject matter because the process steps of "acquiring....; transferring....; delivering...." is not tied to a particular machine as for the reason indicated above.

2) As for an argument on page 7, Applicant states that Wilks does not teach "*the provider acquiring from the operator a right to play music*", and Ishii does not teach the feature of "*playing music in a public medium*" and a right to play a selection of music in a public medium is transferred from an operator of a public medium to a provider of music" is noted. However this is not persuasive for several reasons:.

a) As for the claim language" acquiring the right, and transferring the right" , this is determined to be is non-functional descriptive material and was not given patentable weight (MPEP § 2106.01). "A right" is not functional because it does not alter how the process steps are to be performed to achieve the utility of the invention.

b) WILKS pars. [0008, 0012] discloses the feature delivering the selection of music from the provider of music to the operator, and playing the selection of music in the operator's public medium as show on pars. {[0008] "*music distribution (provider) provides the music or selection of songs to the business owner (operator), a play list of songs which are provided to the business owner in the form of magnetic or optical recording for playback on proprietary stereo*"; and [par. 0012] discloses "*transmission and playing songs in a desired sequence and schedule from an interactive song library*

containing songs from a variety of music types and artist to enable customized selection and playing.

The Examiner uses ISHII to teach a system wherein the music provider provides a selection of music for the operator to play in the operator's business environment for advertising purpose whereby the provider inherently acquires from the business operator a right to play of music as uploading the music to the operator server {see par. [0005] e.g. "allowing the content providers such as advertisers to transmit content such as music data from terminal devices (devices of the provider) to a server device (operator medium) over a network"; and [pars. 0080-0085] "*The music data provider uploads music data to the server device 20 (considered to be operator medium) for advertising purposes*"}. Therefore, the combination of WILKS/ISHII teaches the method that allows the provider of music a right to play the selection of music in the operator public medium for the advertising purpose such as promoting the music.

Conclusion

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Thuy-Vi Nguyen whose telephone number is 571-270-1614. The examiner can normally be reached on Monday through Thursday from 8:30 A.M to 6:00 P.M.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Janice Mooneyham can be reached on 571-272-6805. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/T. N./

Examiner, Art Unit 3689

/Janice A. Mooneyham/

Supervisory Patent Examiner, Art Unit 3689

